

assistance may be used. These priorities will be applied to assistance provided on a competitive basis as described in § 2521.30 of this chapter, and to any assistance provided through a subgrant of such funds.

(i) States must establish, and through the national service plan process described in part 2513 of this chapter, periodically alter priorities regarding the programs that will receive assistance (funding or approved AmeriCorps positions) provided on a formula basis as described in § 2521.30(a)(2) of this chapter. The State priorities will be subject to Corporation review as part of the application process under part 2521 of this chapter.

(ii) The Corporation will provide advance notice to potential applicants of any AmeriCorps priorities to be in effect for a fiscal year. The notice will describe any alternation made in the priorities since the previous notice. If a program receives multi-year funding based on conformance to national or state priorities and such priorities are altered after the first year of funding, the program will not be adversely affected due to the change in priorities until the term of the grant is ended.

(2) *Areas of need.* Areas of need are: (i) Communities designated by the Federal government or States as empowerment zones or redevelopment areas, targeted for special economic incentives, or otherwise identifiable as having high concentrations of low-income people;

(ii) Areas that are environmentally distressed;

(iii) Areas adversely affected by Federal actions related to the management of Federal lands that result in significant regional job losses and economic dislocation;

(iv) Areas adversely affected by reductions in defense spending or the closure or realignment of military installations; and

(v) Areas that have an unemployment rate greater than the national average unemployment rate for the most recent 12 months for which satisfactory data are available.

(d) *Contribution to overall diversity of programs funded by the Corporation.* The Corporation will select programs that

will help to achieve participant, program type, and geographic diversity across programs.

(e) *Additional considerations.* The Corporation may publish in any notice of availability of funding additional factors that it may take into consideration in selecting programs, including any additional priorities applicable to any or all funds.

§ 2522.420 Can a State's application for formula funds be rejected?

Yes. Formula funds are not an entitlement.

(a) *Notification.* If the Corporation rejects an application submitted by a State Commission under part 2550 of this chapter for funds described in § 2521.30 of this chapter, the Corporation will promptly notify the State Commission of the reasons for the rejection of the application.

(b) *Revision.* The Corporation will provide a State Commission notified under paragraph (a) of this section with a reasonable opportunity to revise and resubmit the application. At the request of the State Commission, the Corporation will provide technical assistance to the State Commission as part of the resubmission process. The Corporation will promptly reconsider an application resubmitted under this paragraph.

(c) *Redistribution.* The amount of any State's allotment under § 2521.30(a) of this chapter for a fiscal year that the Corporation determines will not be provided for that fiscal year will be available for redistribution by the Corporation to the States, Territories and Indian Tribes with approved AmeriCorps applications as the Corporation deems appropriate.

Subpart E—Evaluation Requirements

§ 2522.500 What are the purposes of an evaluation?

Every evaluation effort should serve to improve program quality, examine benefits of service, or fulfill legislative requirements.